

Legislative Issue Brief – ABC System



Catawba County Board of Commissioner's Legislative Goal

Support maintaining local control of the North Carolina ABC System and preservation of local revenues received from the system

Background

A locally controlled Alcoholic Beverage Control System allows operational decisions regarding the procurement of alcoholic beverages to be done at a local level. These decisions are not based on profit, but are made with the best interest of the community at heart.

Revenues resulting from profits from ABC Sales provided \$1 million in revenue to Catawba County during Fiscal Year 2008/09. To equal this revenue, a \$0.66 cent increase in the property tax would be necessary.

A draft of legislation regarding changes to the ABC System was distributed on April 22, 2010. This draft would have taken away local revenues by the State taking 2% of the gross receipts of the local ABC system in order to pay for statewide ABC law enforcement. This provision would have resulted in a loss of revenue of nearly \$280,000. Fortunately, at their meeting on May 5, 2010, this provision was eliminated.

On May 12, 2010, Senate Bill 1112 was introduced and a companion bill, House Bill 1717 was introduced on May 13, 2010. As mentioned above, originally the draft of this bill would have taken local revenue away, but the draft introduced had this provisions removed.

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